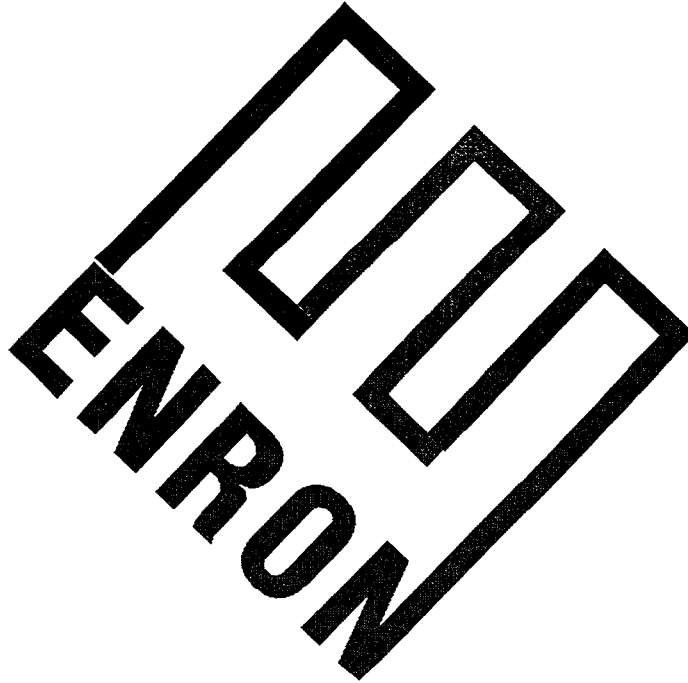




Project Summer

EC004391564

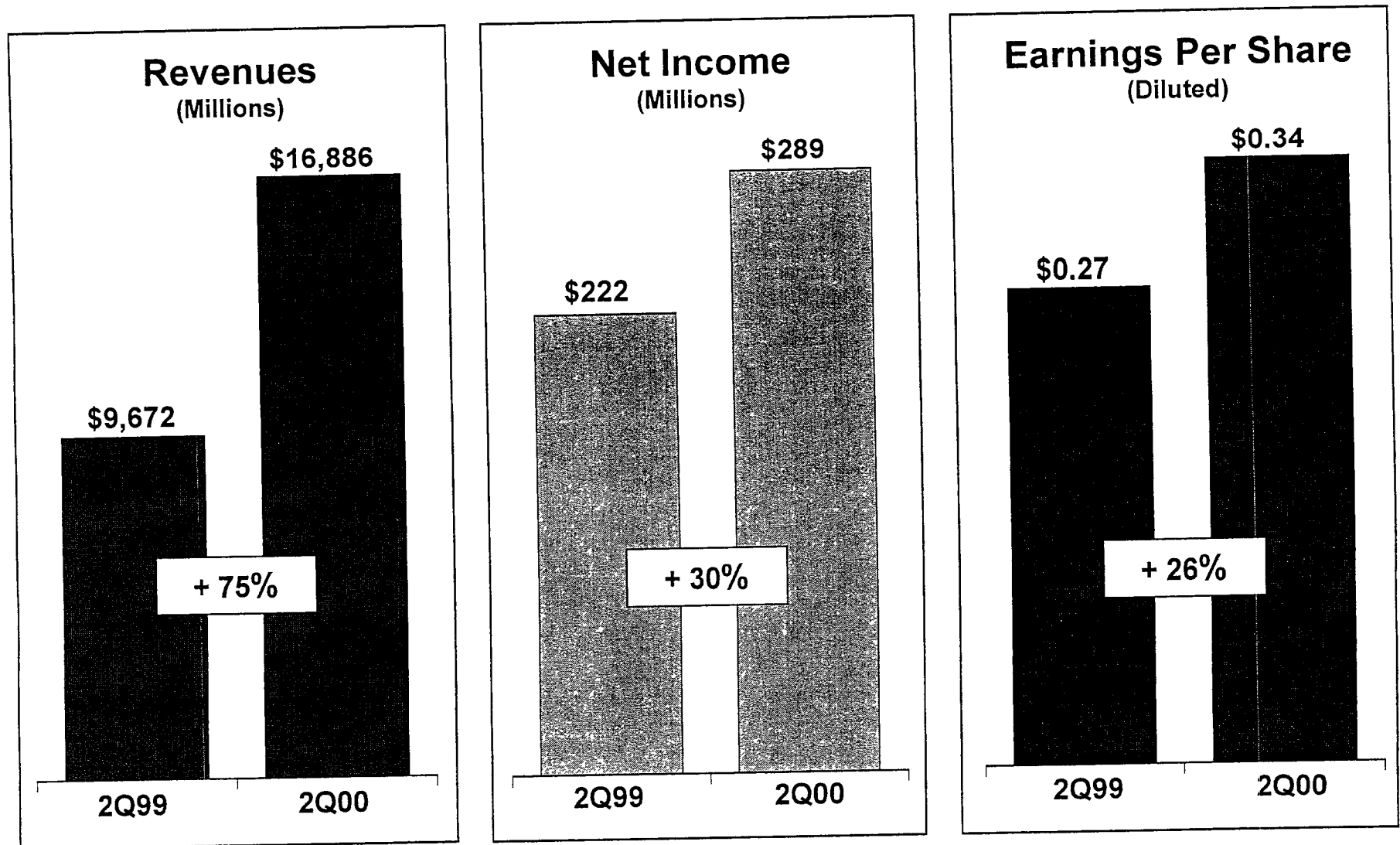


Business Update

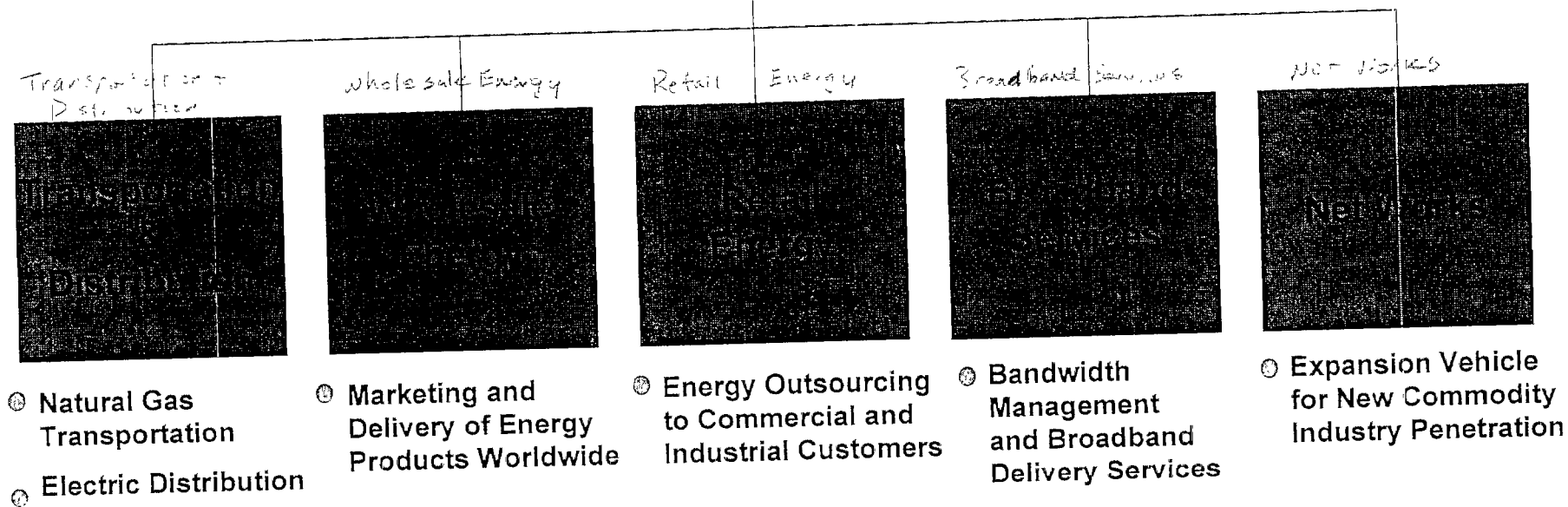
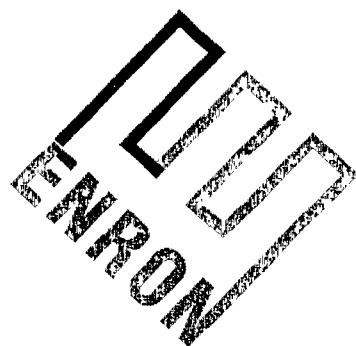
EC004391565

Enron

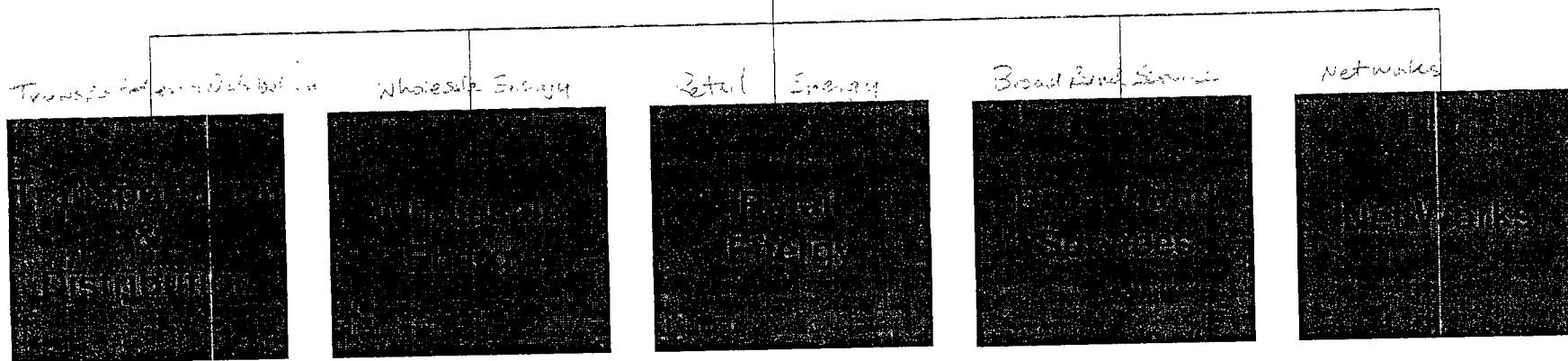
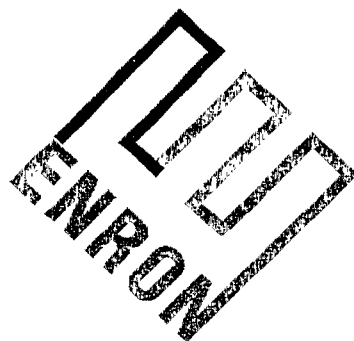
Second Quarter Performance



EC004391566



EC004391567

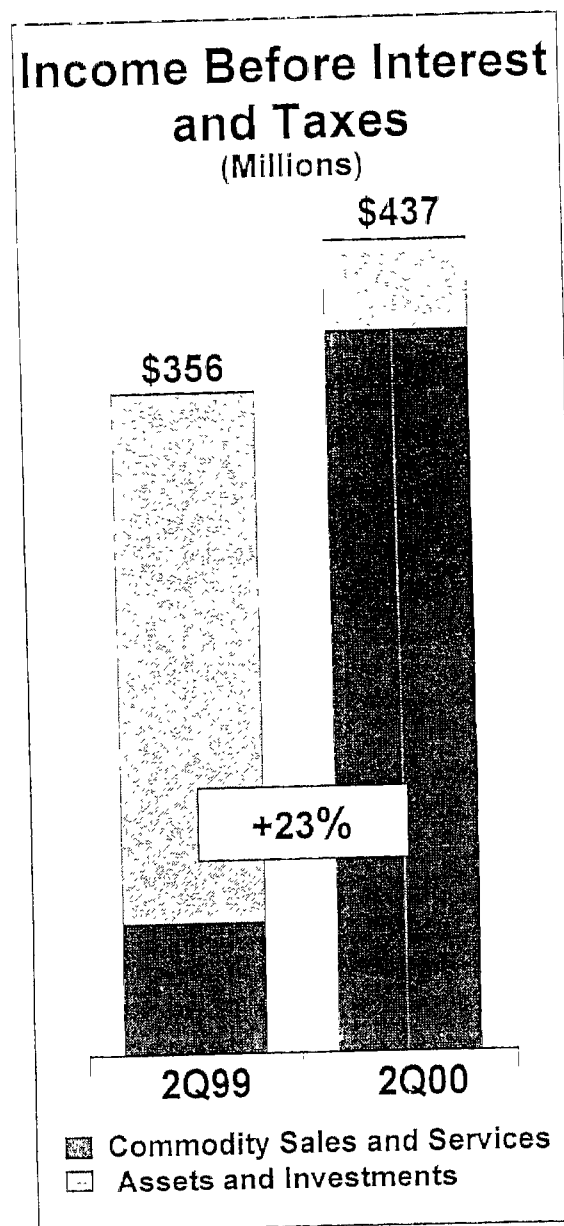
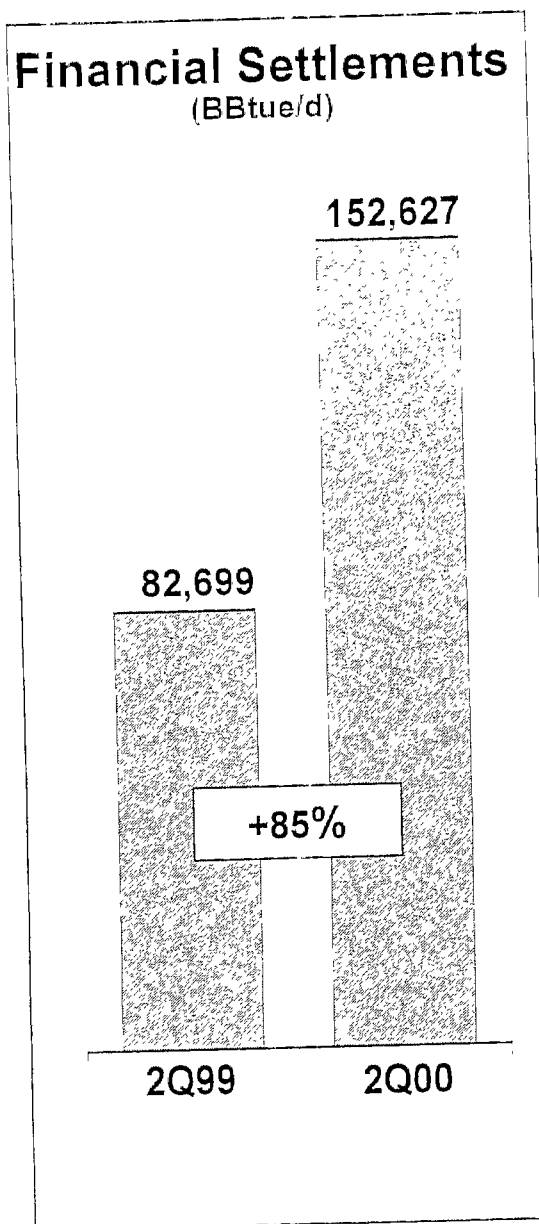
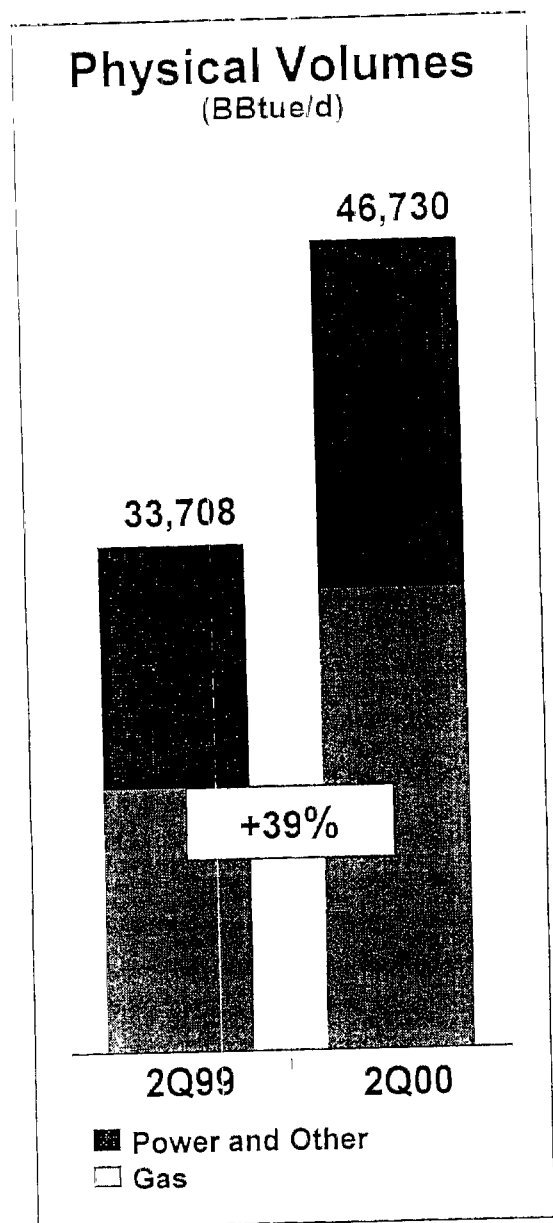


- Marketing and Delivery of Energy Products Worldwide



EC004391568

Wholesale Energy Operations and Services

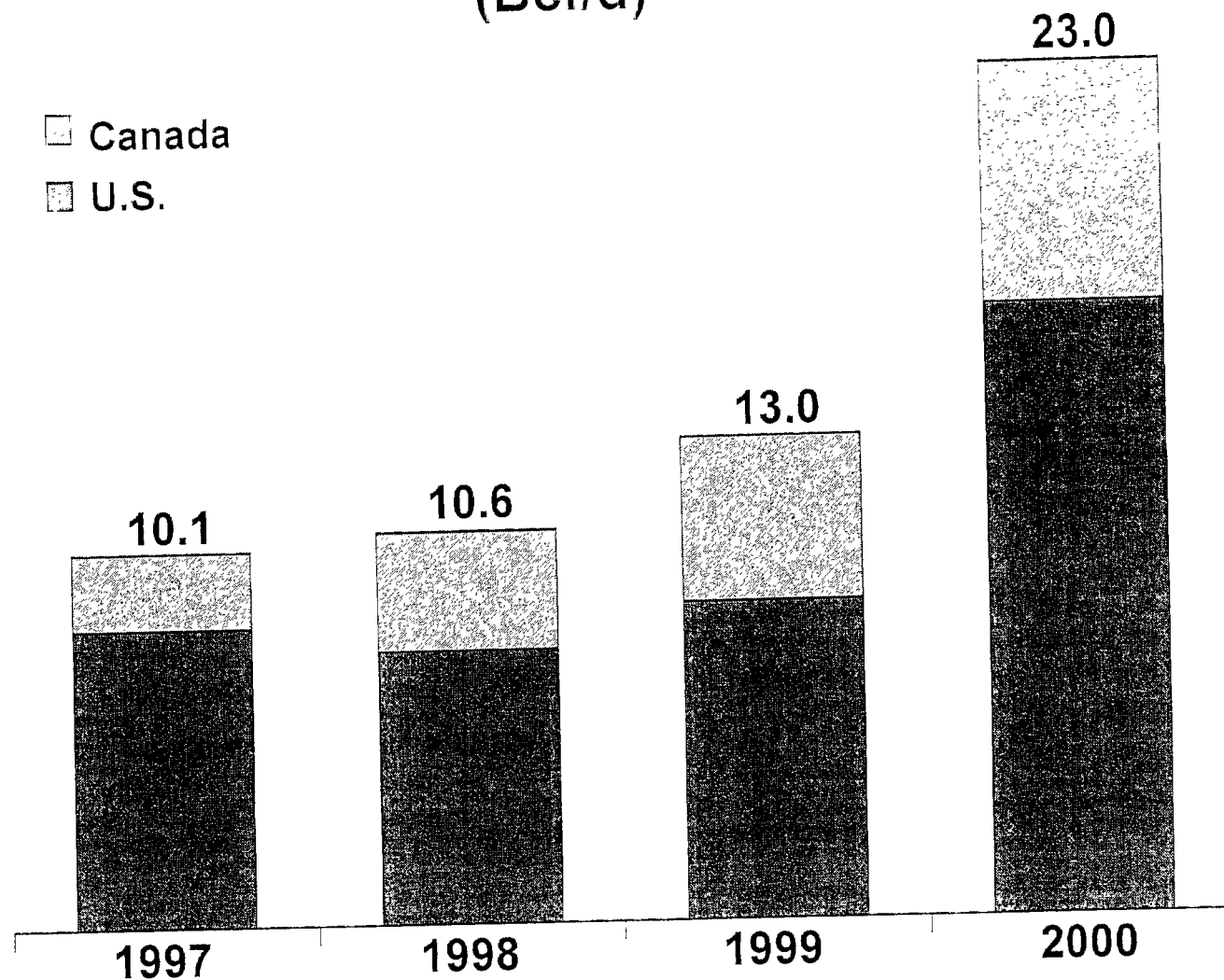


EC004391569

North America Natural Gas Volumes

Second Quarter

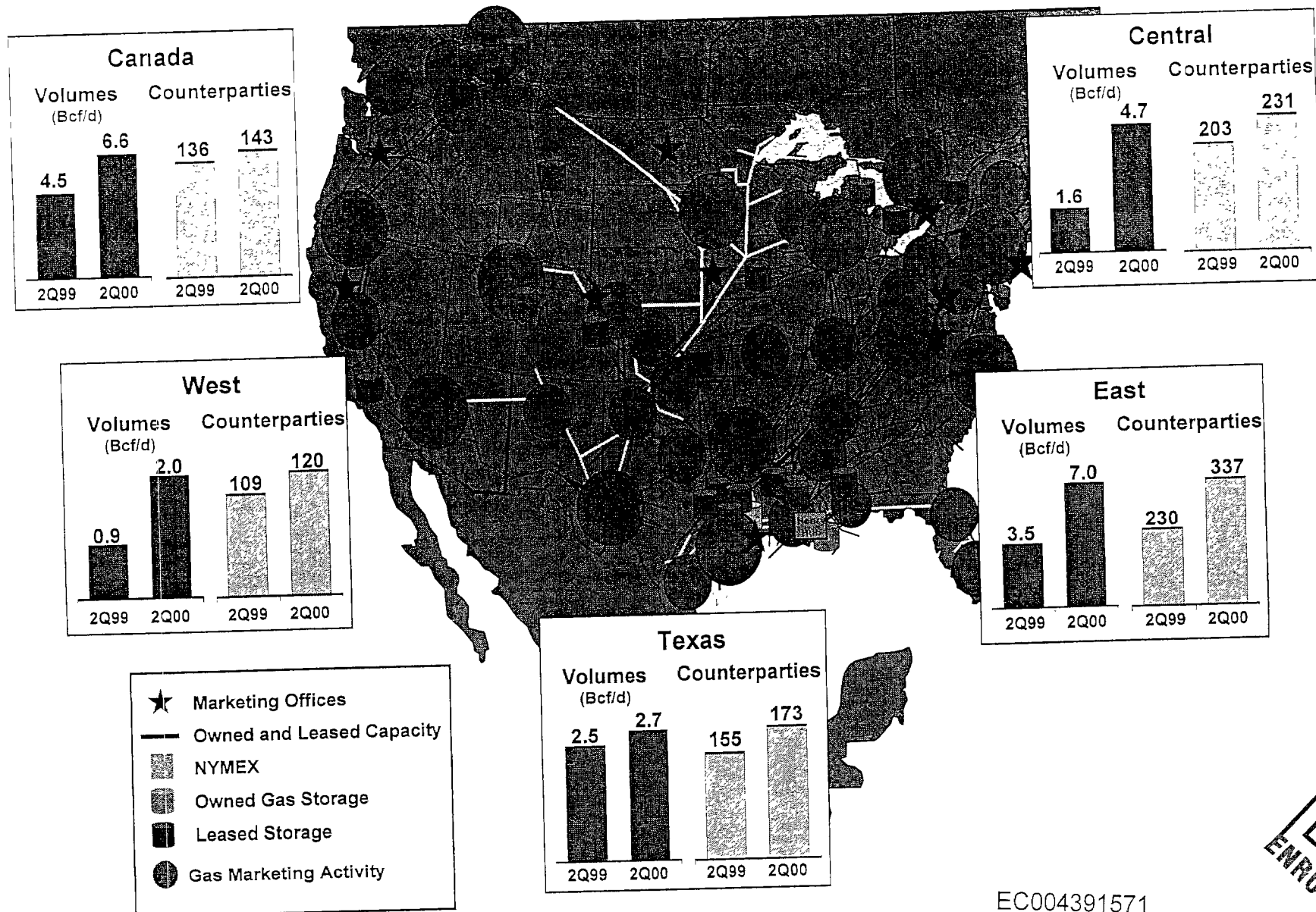
(Bcf/d)



EC004391570



Enron's Wholesale Gas Network



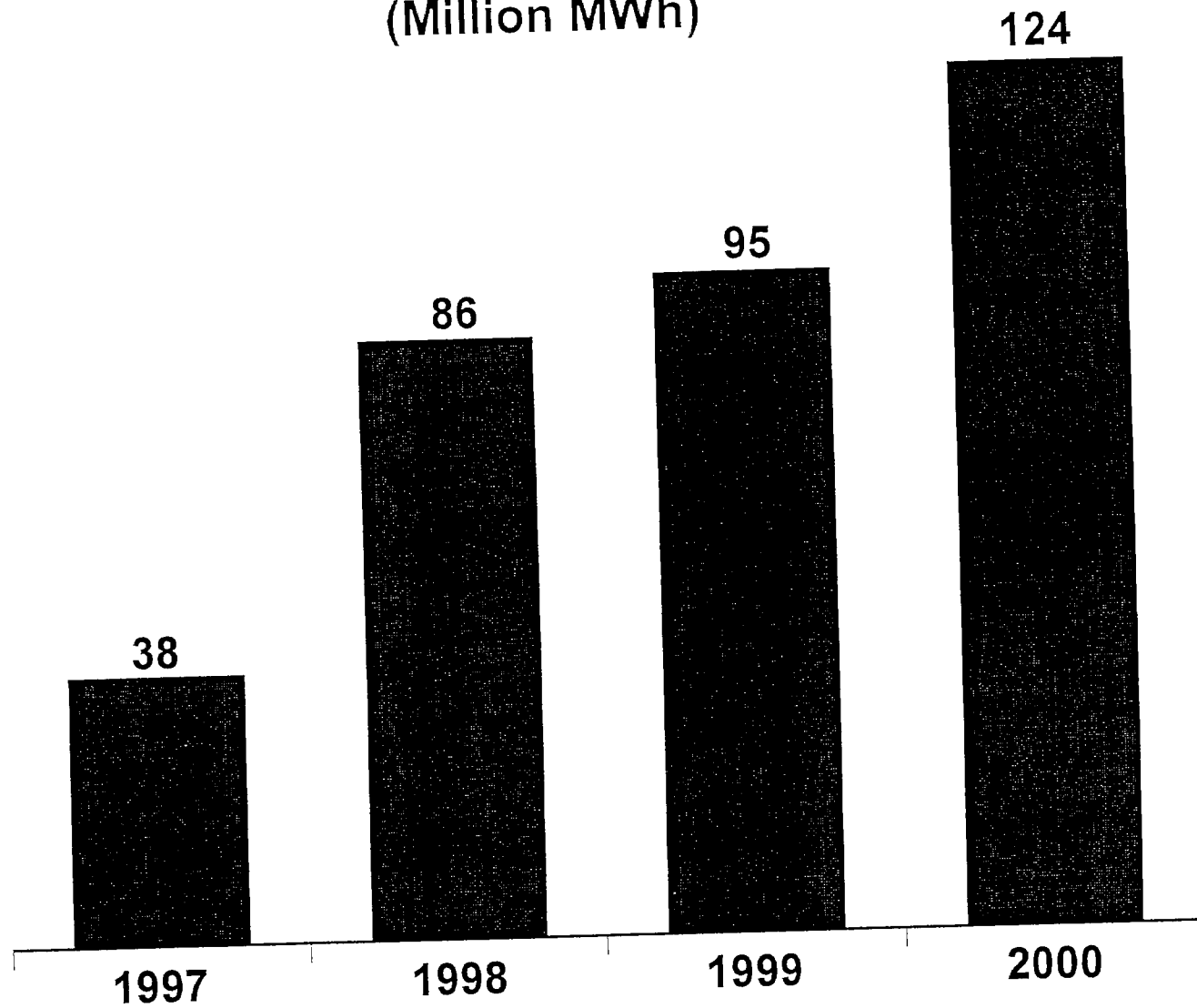
EC004391571



North America Power Volumes

Second Quarter

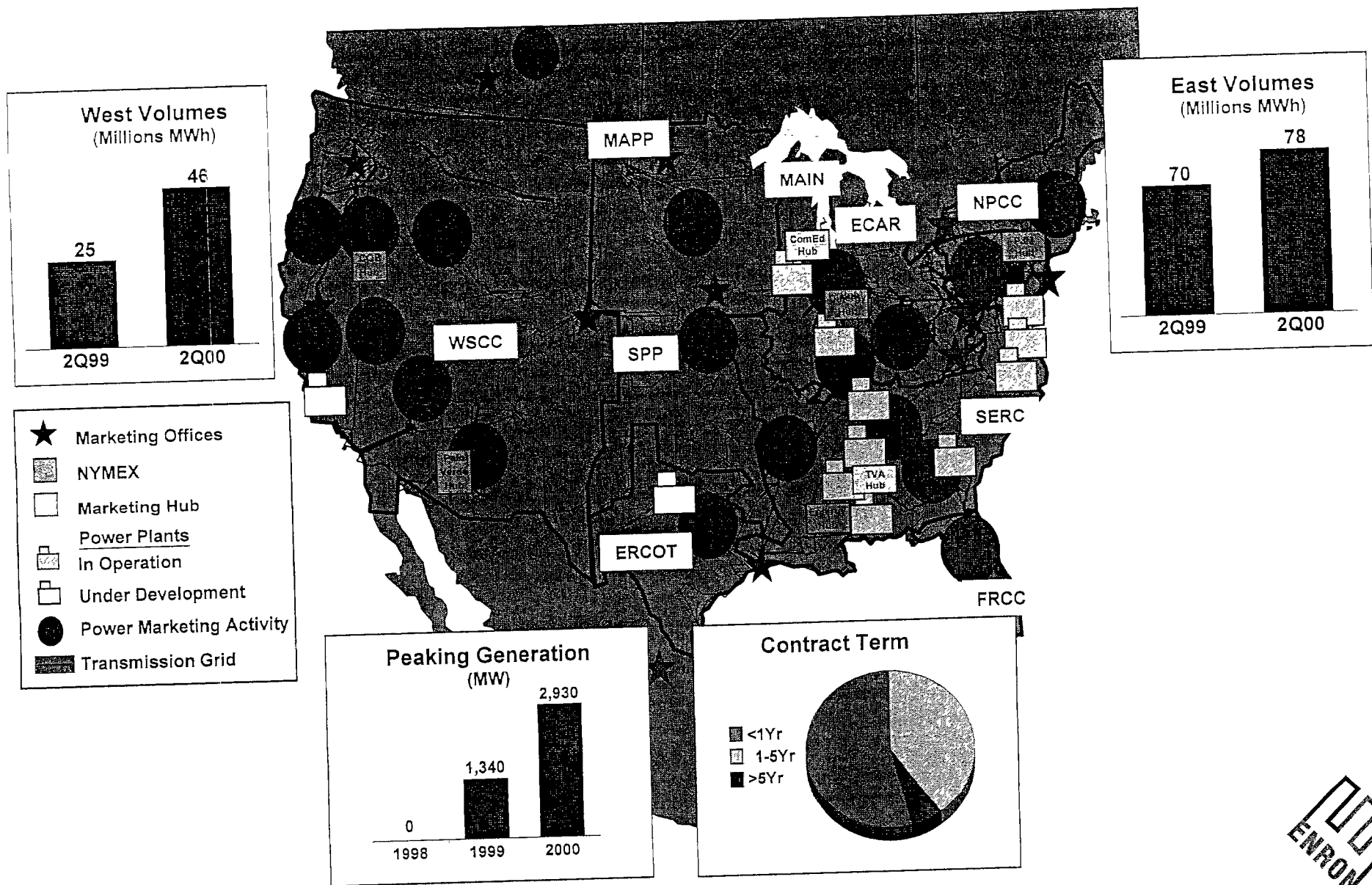
(Million MWh)



EC004391572

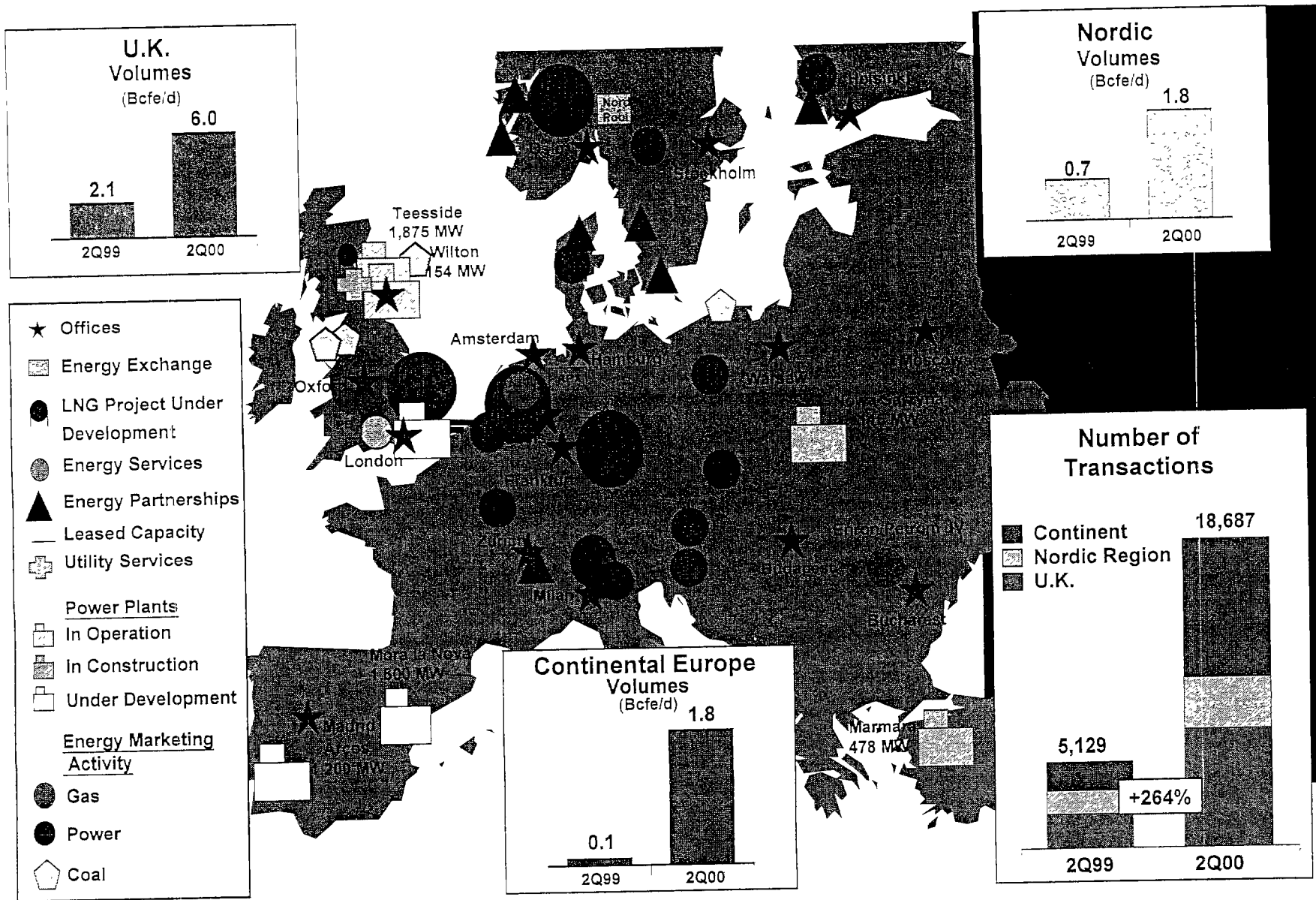


Enron's Wholesale Power Network



EC004391573

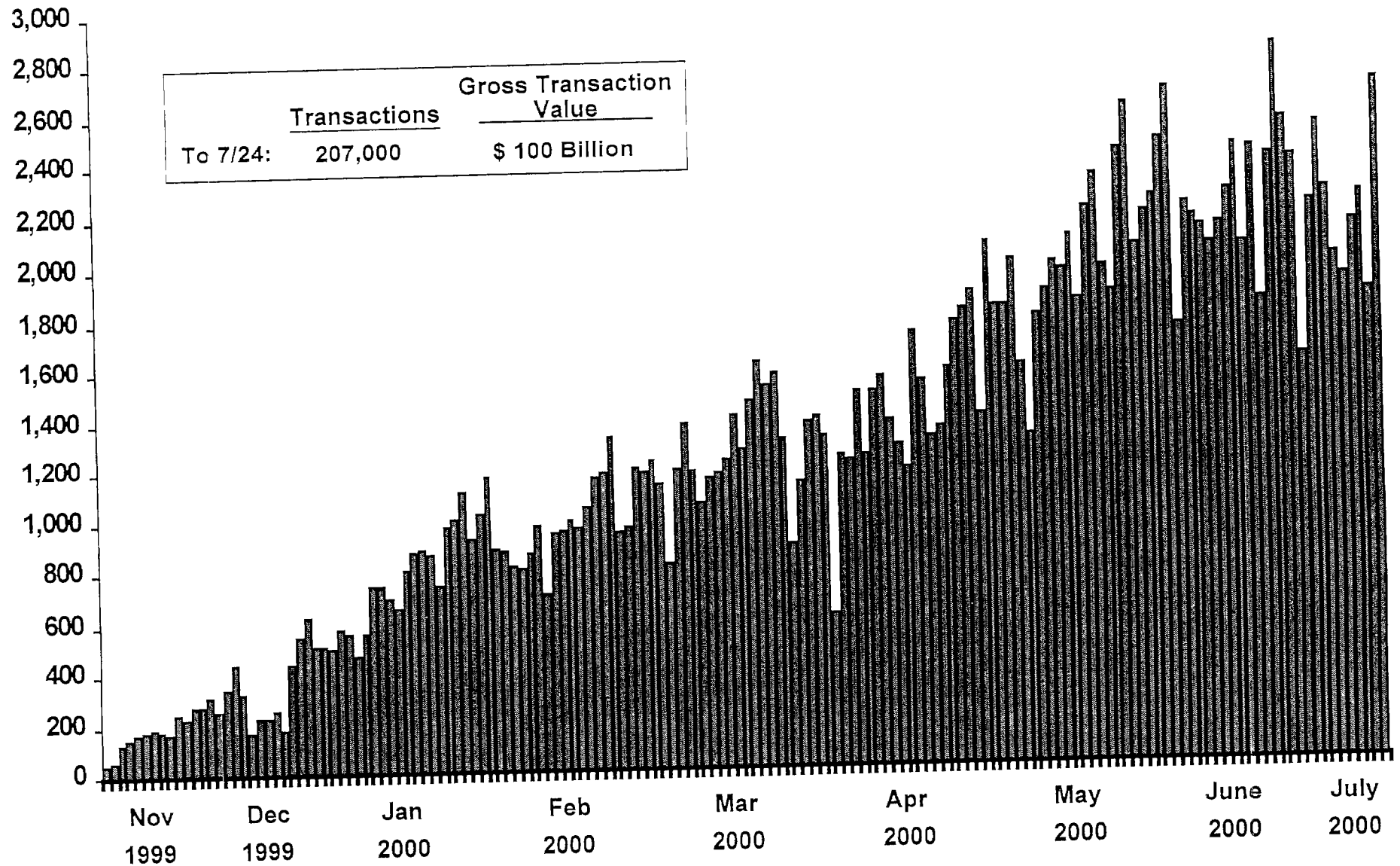
Enron's European Wholesale Network



Note: Volumes Include Natural Gas and Power

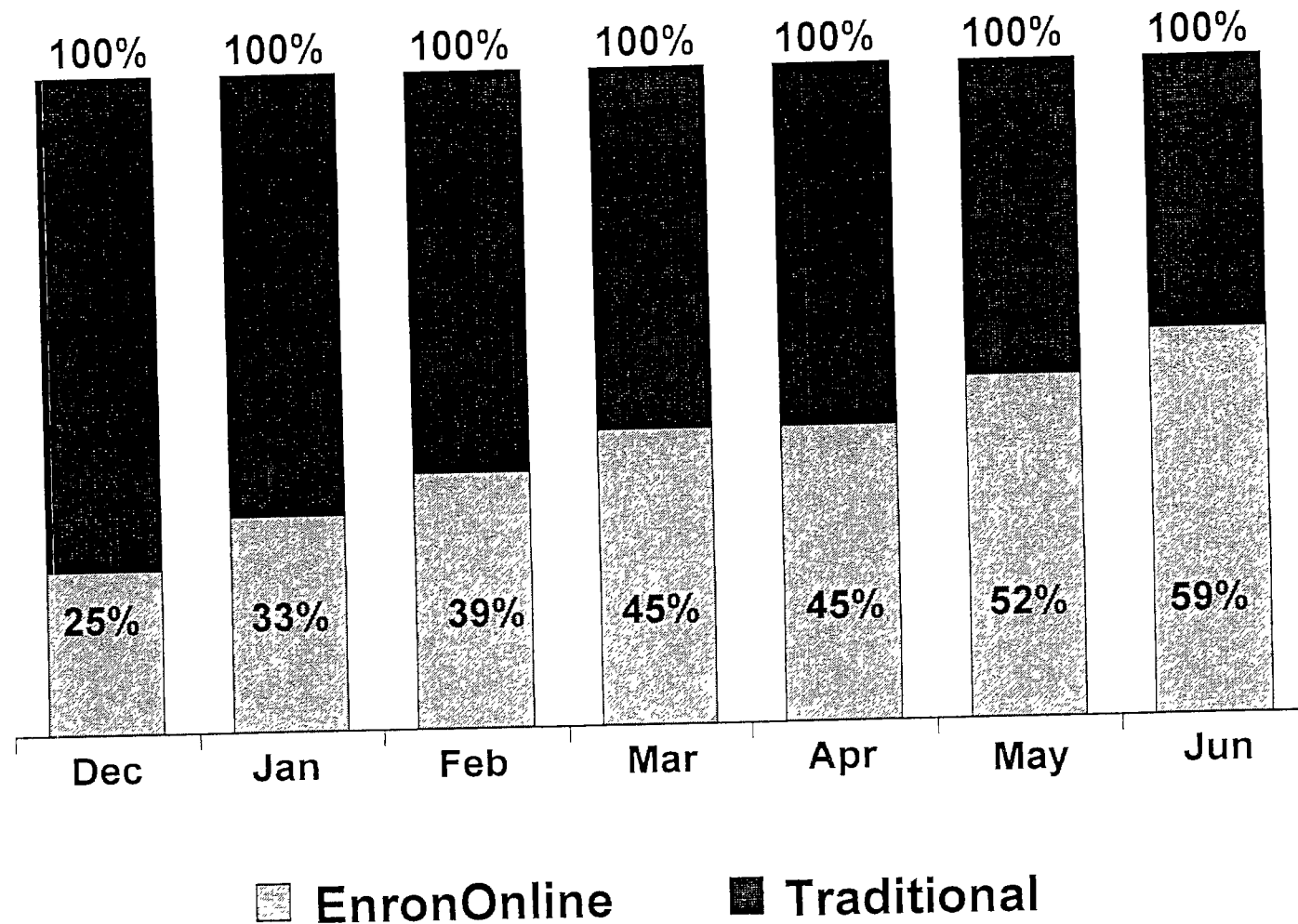
EC004391574

EnronOnline Daily Transactions



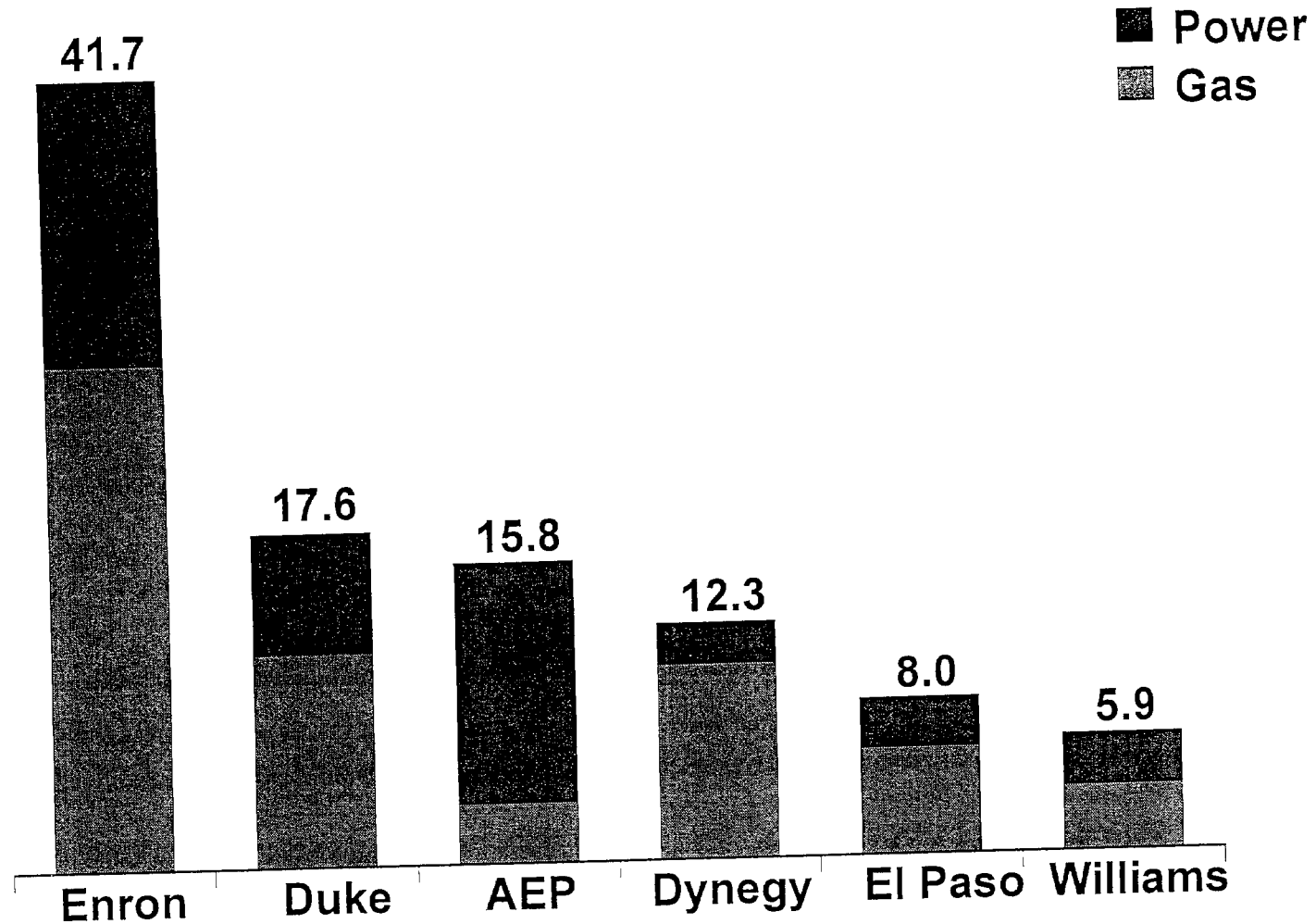
EC004391575

Rapidly Increasing Utilization of EnronOnline (Transactions)

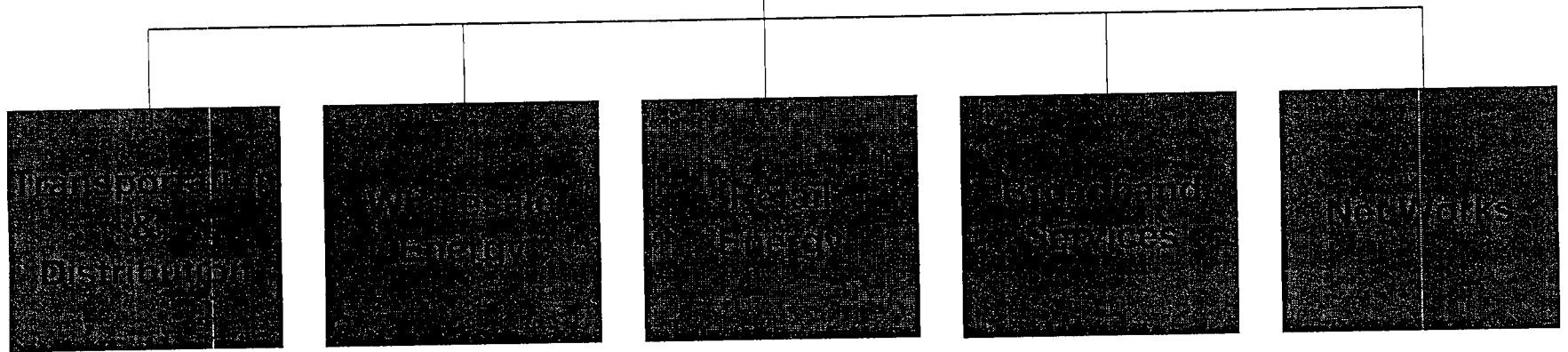


EC004391576

Leading Energy Marketers Second Quarter 2000 (TBtue/d)



EC004391577



- Energy Outsourcing to Commercial and Industrial Customers

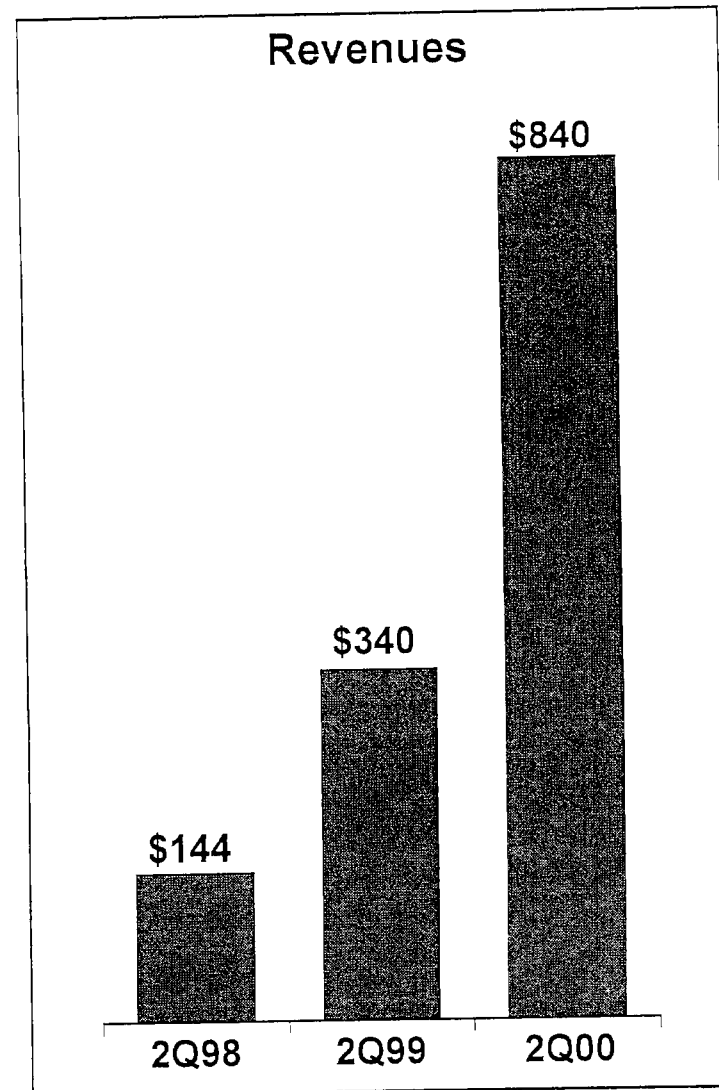
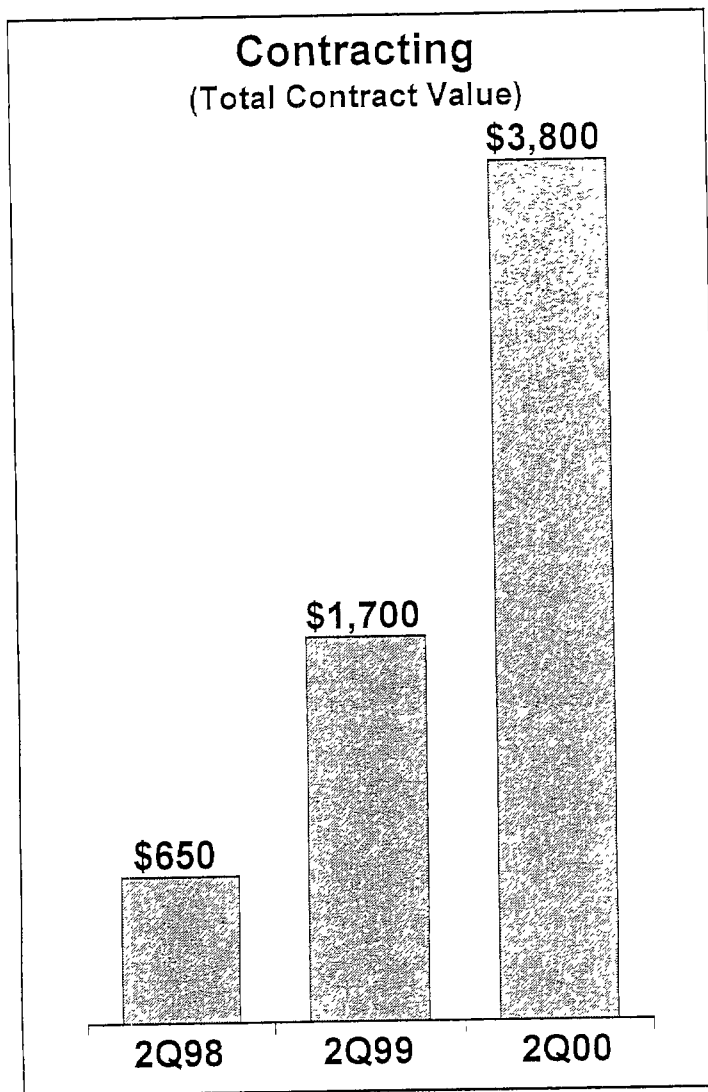


EC004391578

Enron Energy Services

Second Quarter Performance

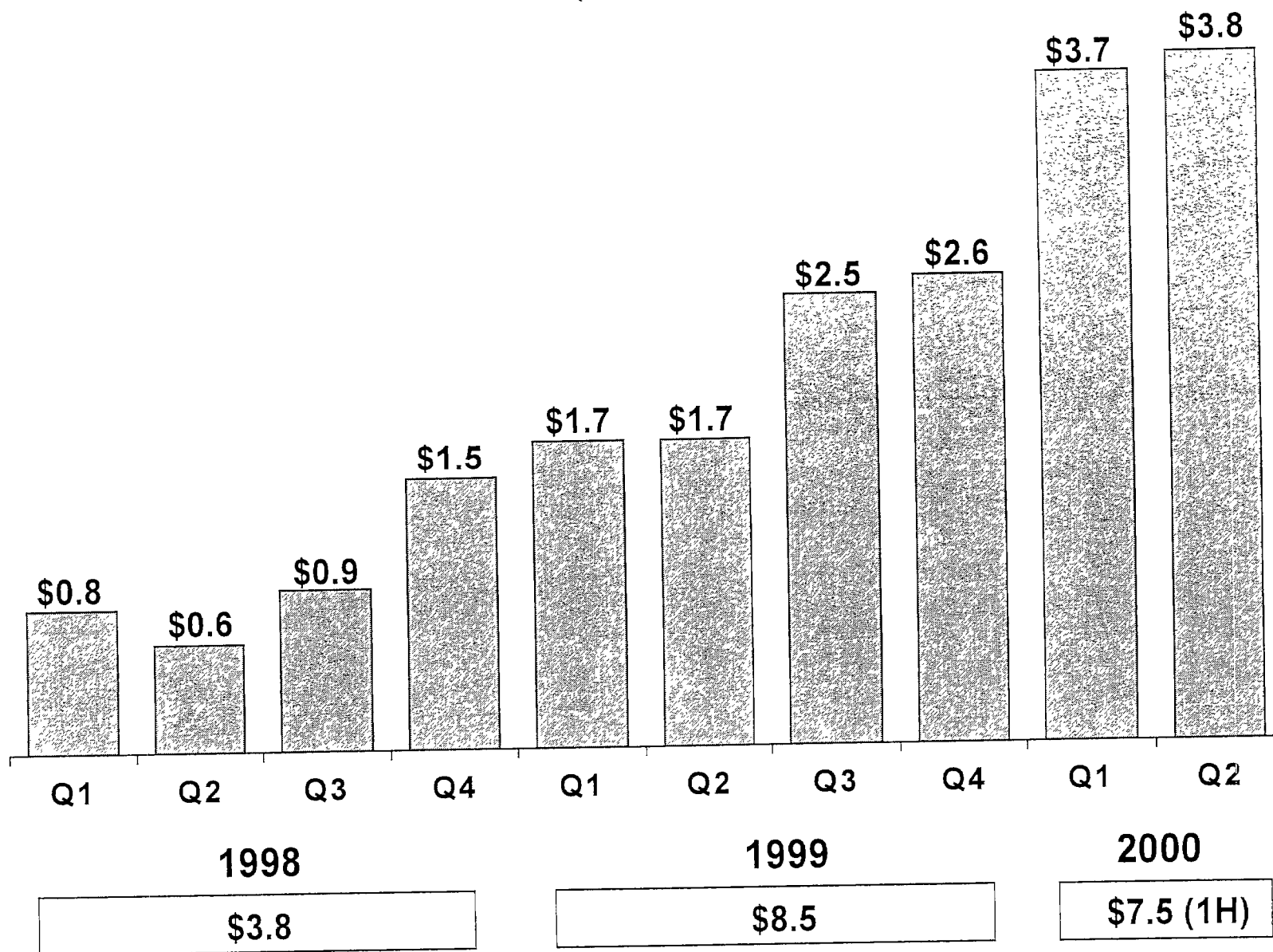
(Millions)



EC004391579

New Total Contract Value - Quarterly

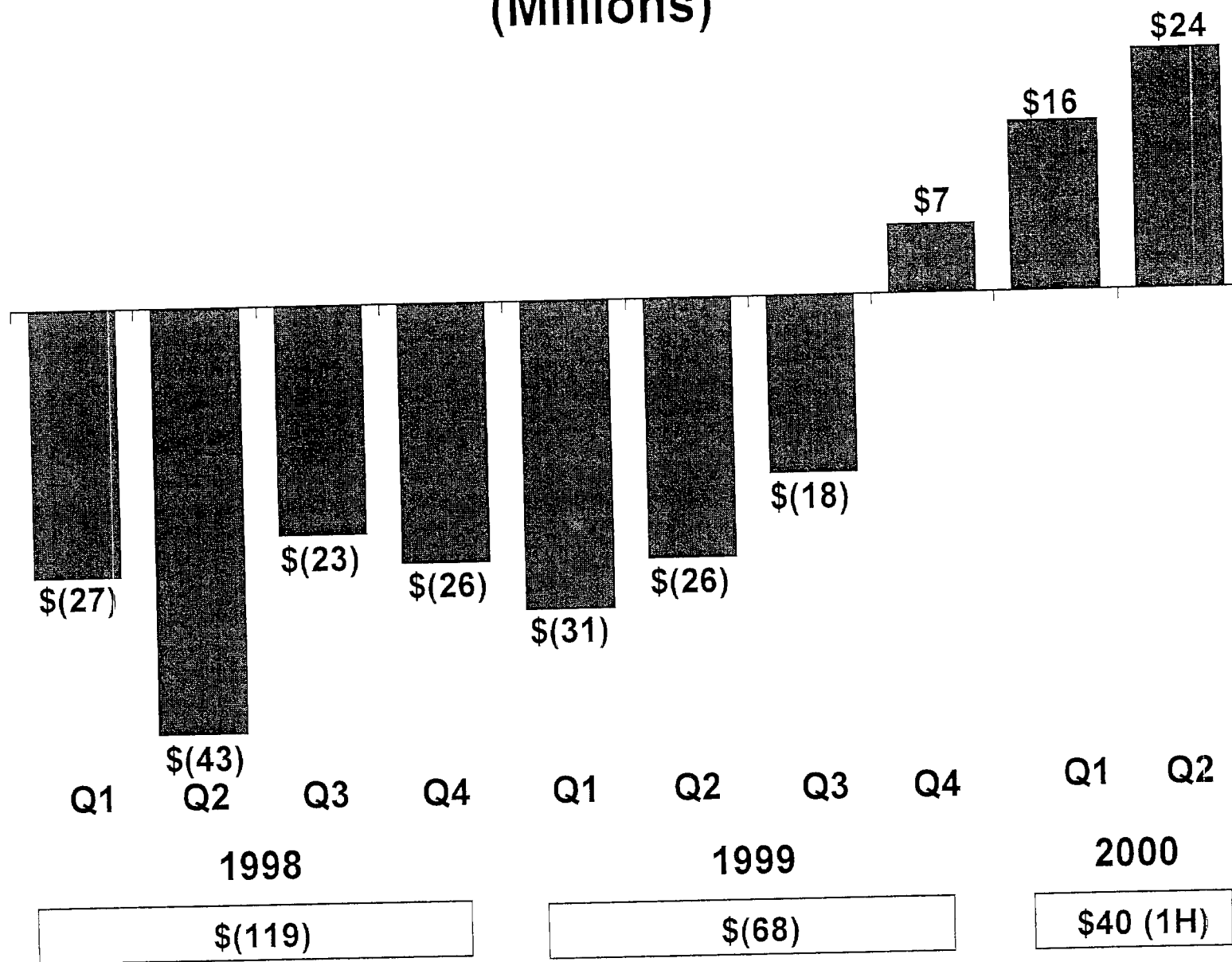
(Billions)



EC004391580

Income Before Interest and Taxes - Quarterly

(Millions)



EC004391581

Recent Contracting Activity



QUEBECOR INC

**\$1 Billion, 10-Year Agreement to
Service 66 Facilities in 28 States**



Prudential

**\$180 Million, 10-Year Agreement to
Service 19 Facilities in 6 States**



Sonoco Inc.

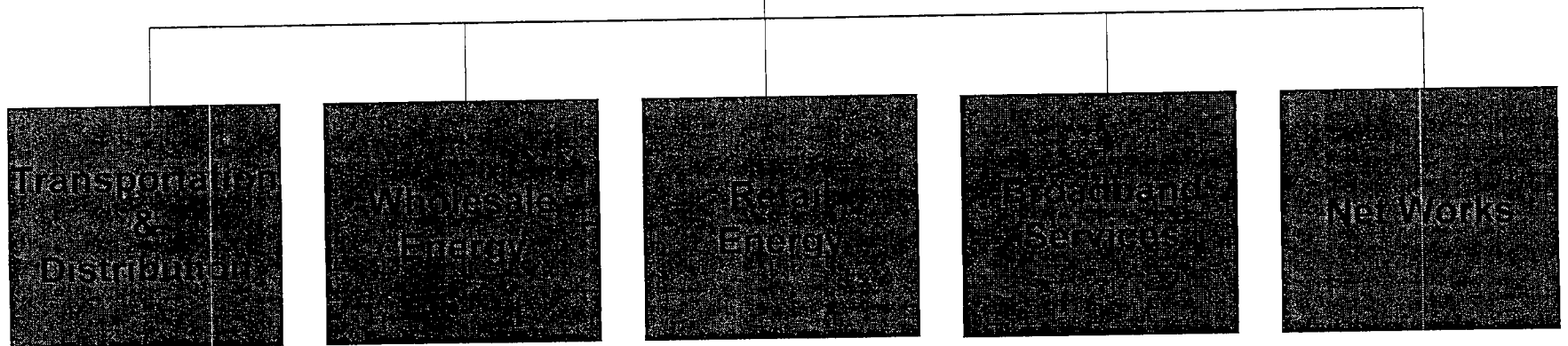
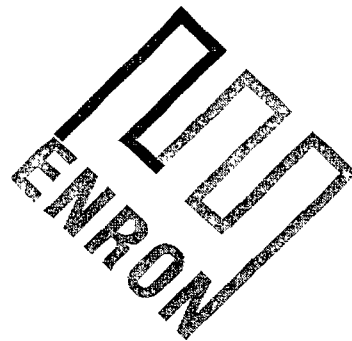
**\$210 Million, 10-Year Agreement to
Service 100 Facilities in 27 States**



**\$150 Million, 10-Year Agreement to
Service 19 Facilities in 11 States**



EC004391582

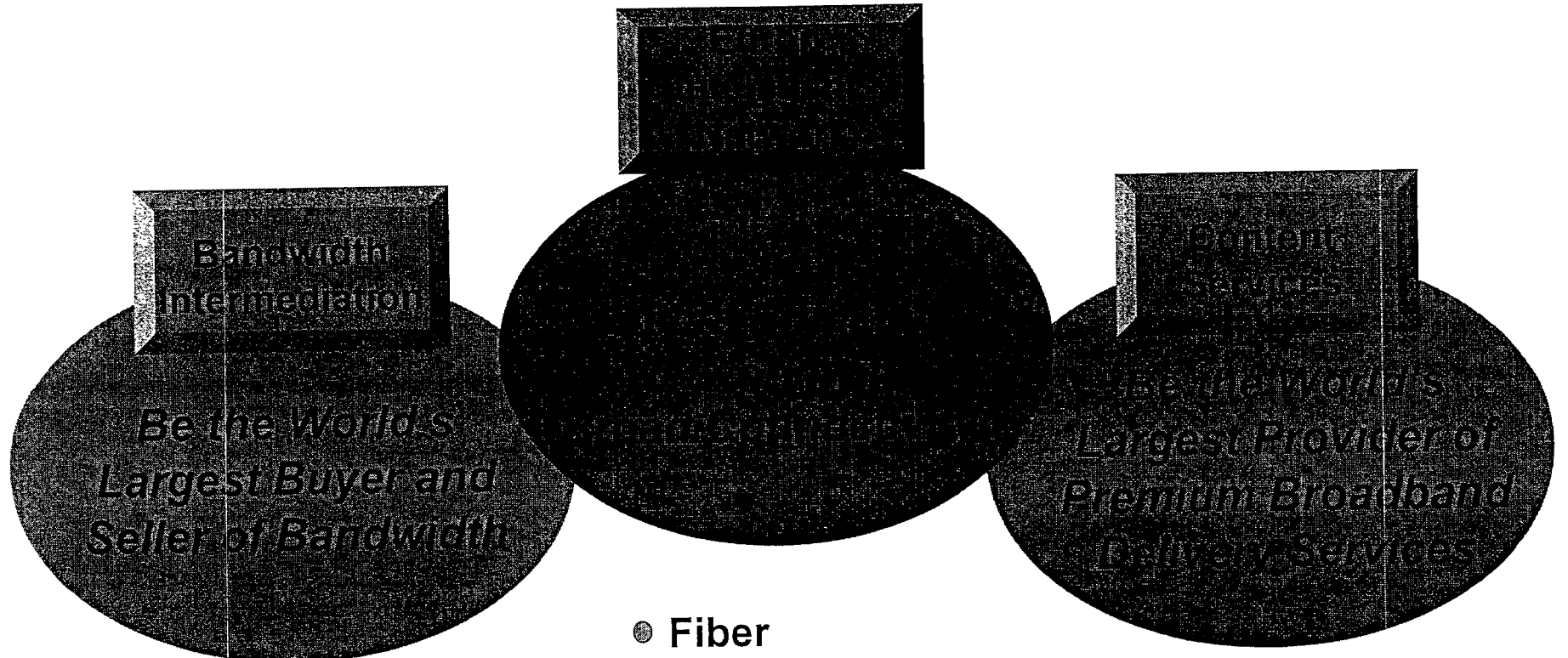


- Bandwidth Management and Broadband Delivery Services



EC004391583

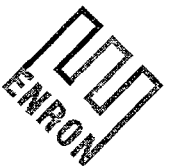
Enron Broadband Services



- Bandwidth Marketing & Trading
- Comprehensive Bandwidth Management

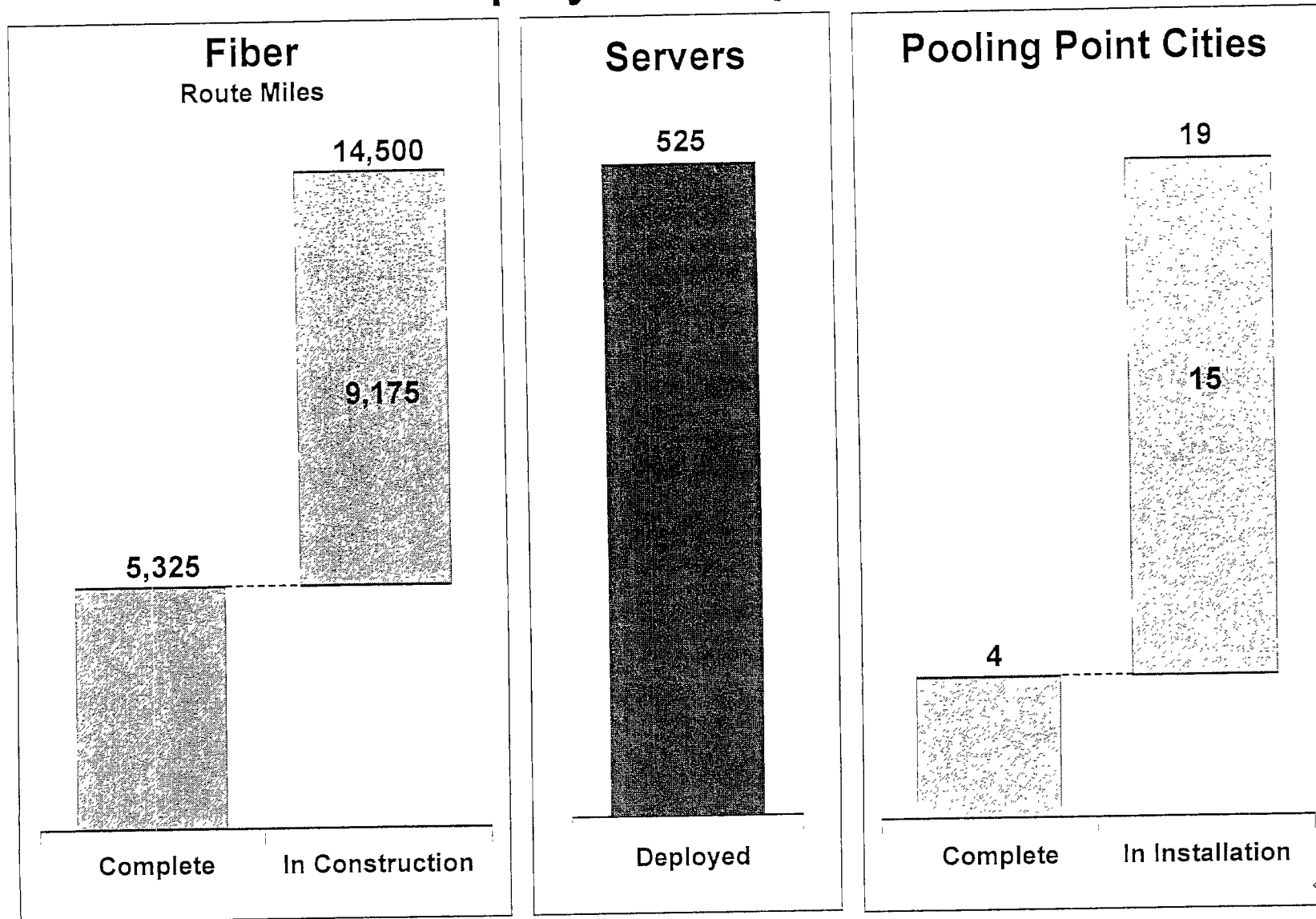
- Fiber
- Servers
- Pooling Points
- Network Control

- Broadband Content Management & Delivery
- Data Management Services



EC004391584

Enron's Intelligent Network Deployment Update



EC004391585



Enron Broadband in Europe

- Initial Operating Presence in Major Markets in the U.K., Germany, France and the Netherlands

- Major Broadband Distribution Partners Signed

cerbernet

To Be
Announced

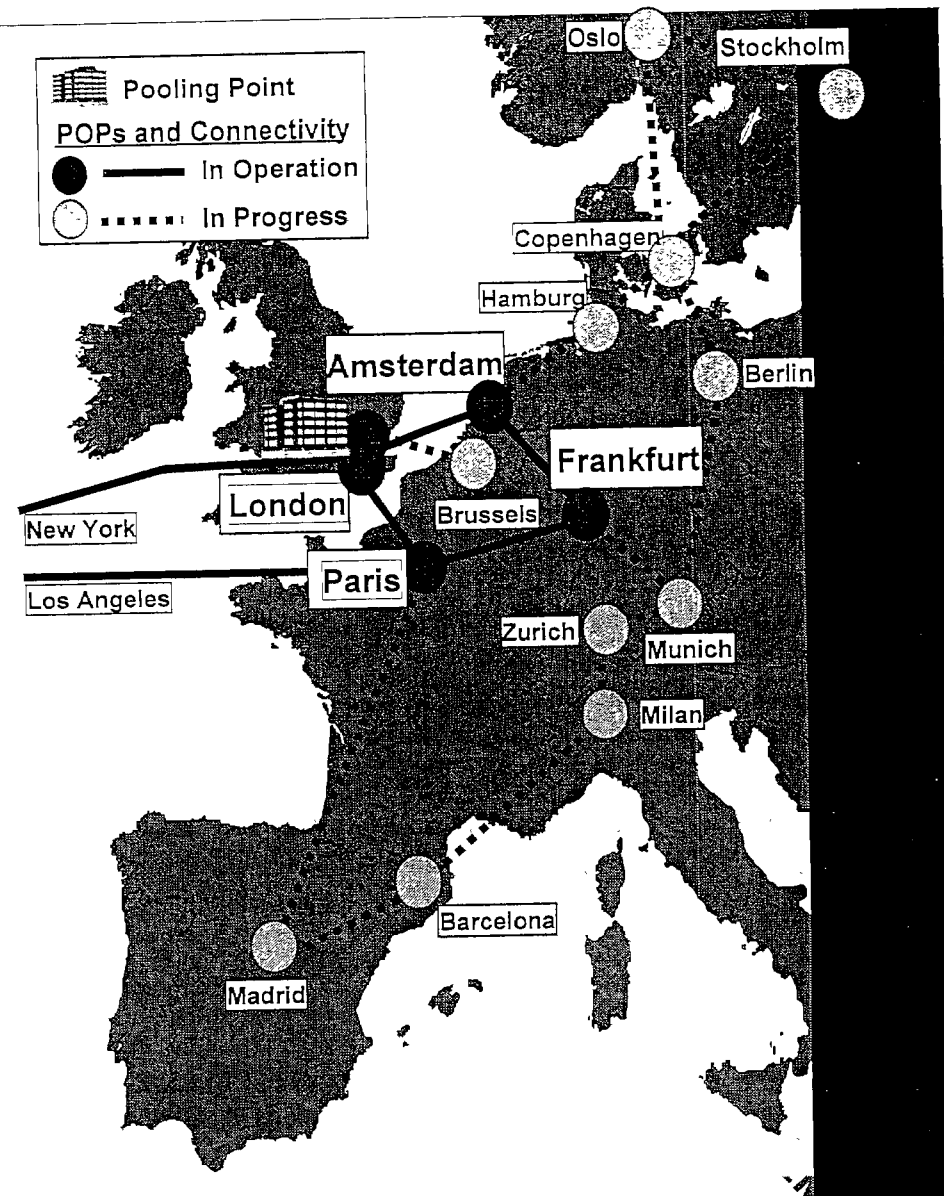
Liberty Surf®

- Very Successful Worldwide Streaming Deb



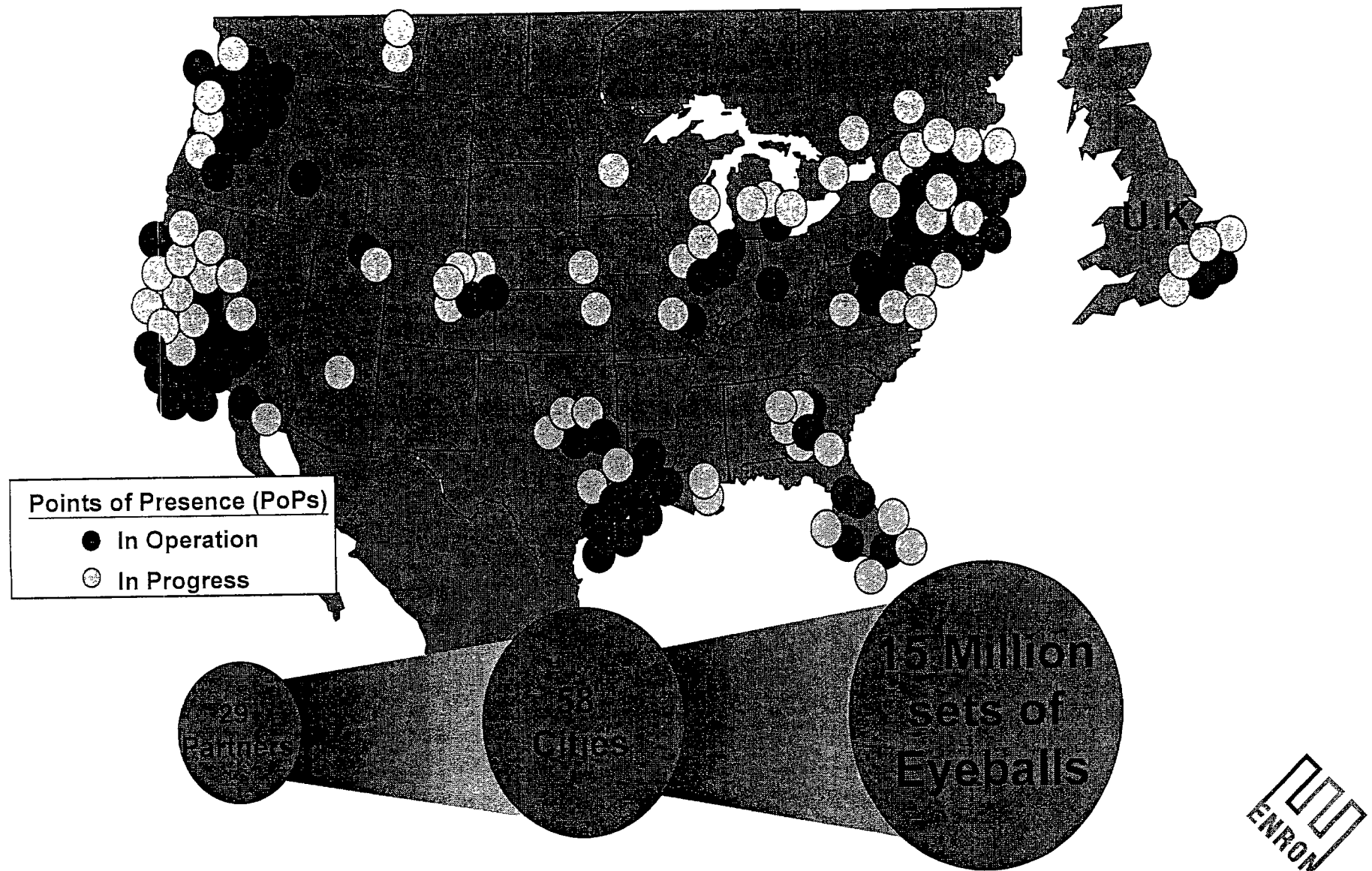
www.wimbledon.com

- Extending Reach Throughout Europe and the Nordics
- 50 Employees Today;
Over 100 Targeted by Year-end



EC004391586

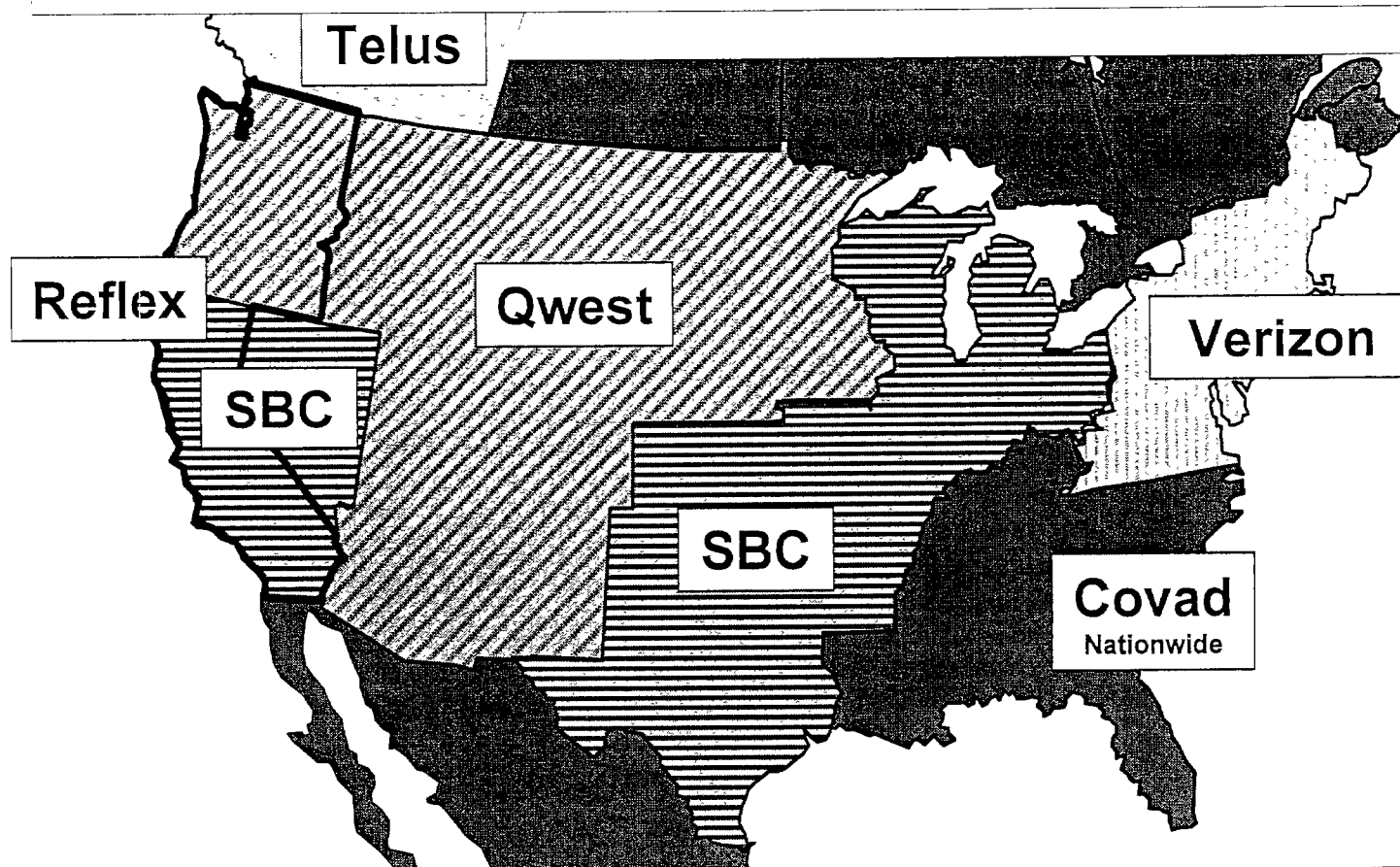
Broadband Distribution Partners



EC004391587

New Broadband Distribution Partners

Entertainment-on-Demand



- “Last Mile” Broadband Connectivity to Over 80% of the U.S. DSL Market

- Minimum Quality and Speed Guarantees to Ensure TV Quality
- End-User Customer Service



EC004391588

Advancement of Enron's BOS

(Broadband Operating System)

- **Provides Network Control Across the EIN**
 - Risk Management and Delivery Logistics
 - Forward Reservation of Bandwidth
 - Quality of Service Differentiation and Monitoring
 - Network Information and Management
- **WarpSpeed MetaRouter Significantly Enhances Scalability and Dynamic Circuit Provisioning**
 - Instantaneously Maps Bandwidth Requisitions to Best Available Network
 - At Full Scale, Manages 10,000 Connection Requests Per Minute
- **Enron's Application Programming Interface (API) Allows Third Party Applications to Configure and Use Enron's Network**
 - Incorporated into Sun's Java Community Process
 - Facilitating I2's B2B Marketplace

EC004391589



Bandwidth Intermediation

Enron's Top Tier Markets



EC004391590

Wholesale Bandwidth Intermediation

Second Quarter Activity

Marketers and Resellers

- Purchases and Sales of Off-Net Protected DS-3 Circuits
- Terms Range Up to 12 Months; Committed 6 Weeks to 6 Months Forward
- Predominantly Fixed Price Contracts
- Transacting Between Multiple City Pairs

Network Services Providers

- Primarily Sales of On-Net OC-48 Channels
- Up to Five-Year Terms
- Strong Demand for Fixed Price Commitments
- City Pairs Track Enron's Network Build-Out

U.S. Carriers

- Purchases and Sales of Off-Net Protected Circuits and OC-48 Channels
- Terms Range from 6 Months to 3 Years
- Fixed Price Commitments and Option Structures
- Transacting Between Multiple City Pairs

International

- Purchases and Sales of Off-Net Protected Circuits and Channels
- Includes Address-to-Address Connectivity
- Terms Range up to 10 Years; Committed Up to 3 Years Forward
- Primarily Fixed Price Commitments

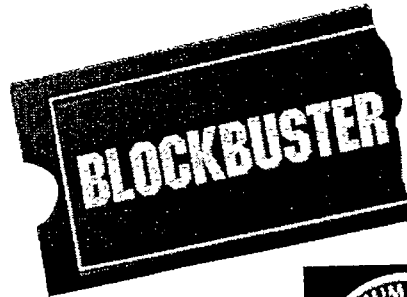
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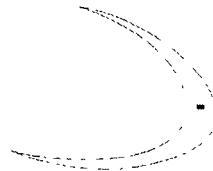
Content Services

Second Quarter Activity

Content Providers



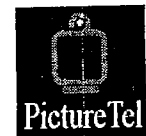
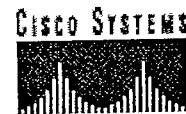
Columbia Tristar



Enterprises and ASPs



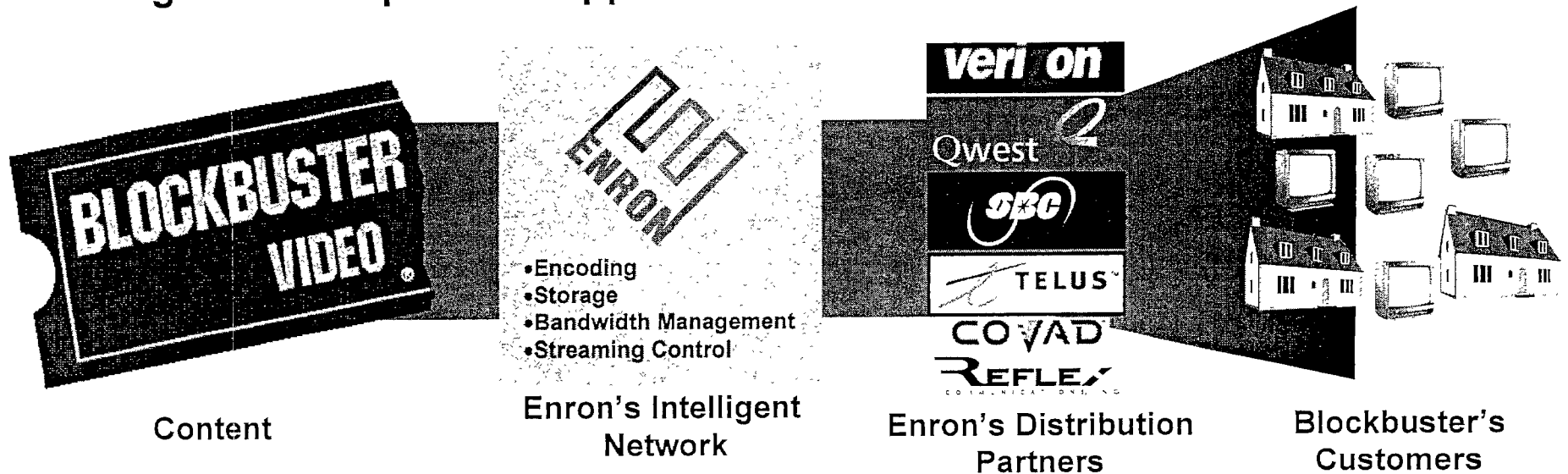
PROTRADER.com



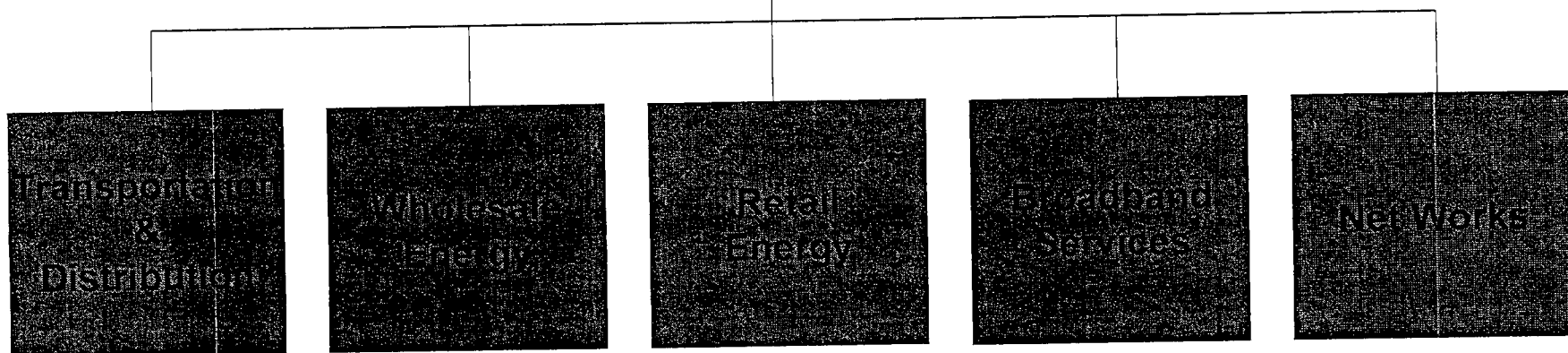
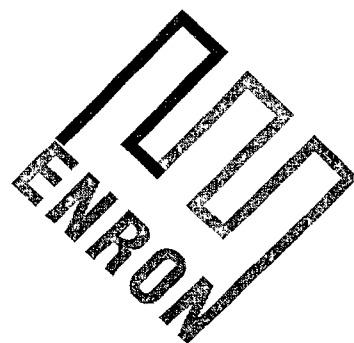
EC004391592

Enron and Blockbuster

- 20-Year Exclusive, Worldwide Agreement; Over \$1 Billion Potential Contract Value for Enron
- Enron Provides End-to-End Connectivity to Deliver Blockbuster's Movie Library via the EIN
 - Enron Paid for Services Based on Number of Movies Rented
 - New Broadband Distribution Agreements Enable DSL Delivery to the TV; Additional Partners and Cable Targeted
- Service Available in Multiple U.S. Markets by Year-end; Rapidly Moving Toward Implementation
- Significant Expansion Opportunities



EC004391593



● Expansion Vehicle
for New Commodity
Industry
Penetration

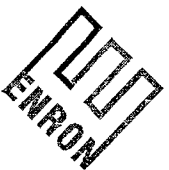
EC004391594



Current Market Conditions

- **Many Industries Exist That Sell Commodity Products Through Legacy Distribution Channels**
- **Channels Often Consist of Complex Sales Forces and Long Term Relationships with Little Price Transparency**
- **Enormous Inefficiencies Exist in the Pricing of Commodity Products**
- **The Internet Provides a Unique Opportunity to Have Immediate and Inexpensive Access to Customers**

EC004391595



Opportunity for Enron

- **Use Proven Enron eCommerce Platforms As Accelerators**
- **Leverage Off Enron's Proven Skills in Logistics, Risk Management and Back Office Capabilities**
- **Provide High-Margin, Structured Products to Customers**
- **Move Quickly and Minimize Effect on Enron's Balance Sheet**

EC004391596



Enron Has the Capabilities Required to Capture this Market Opportunity

Market Making Capabilities	Operating Capabilities	Other Capabilities
<ul style="list-style-type: none">• Cash Markets• Forward Markets• Futures Markets	<ul style="list-style-type: none">• Transactions• Logistics• Settlement	<ul style="list-style-type: none">• eCommerce Platforms• Risk Management Process• Capital

EC004391597



Target Markets and Approach

- **Enron Business Plan Upon Entering New Markets:**

Upgrade **Streamline Process to Do Business the Best,
Most Efficient Way Possible**

Expand **Grow Market Share in Current Business**

Penetrate **Rapidly Establish Significant Stakes in New
Markets**

- **Target Markets**

- Metals
- Pulp & Paper
- Steel
- Chemicals

- Credit/Finance
- Data Storage
- Settlements
- Logistics

EC004391598



Recent Net Works Transactions

MG PLC

- Leading Merchant of Base Metals
- Significant Customer Overlap with Enron's Existing Energy Customers
- Metals Market Receptive to Enron-Like Products

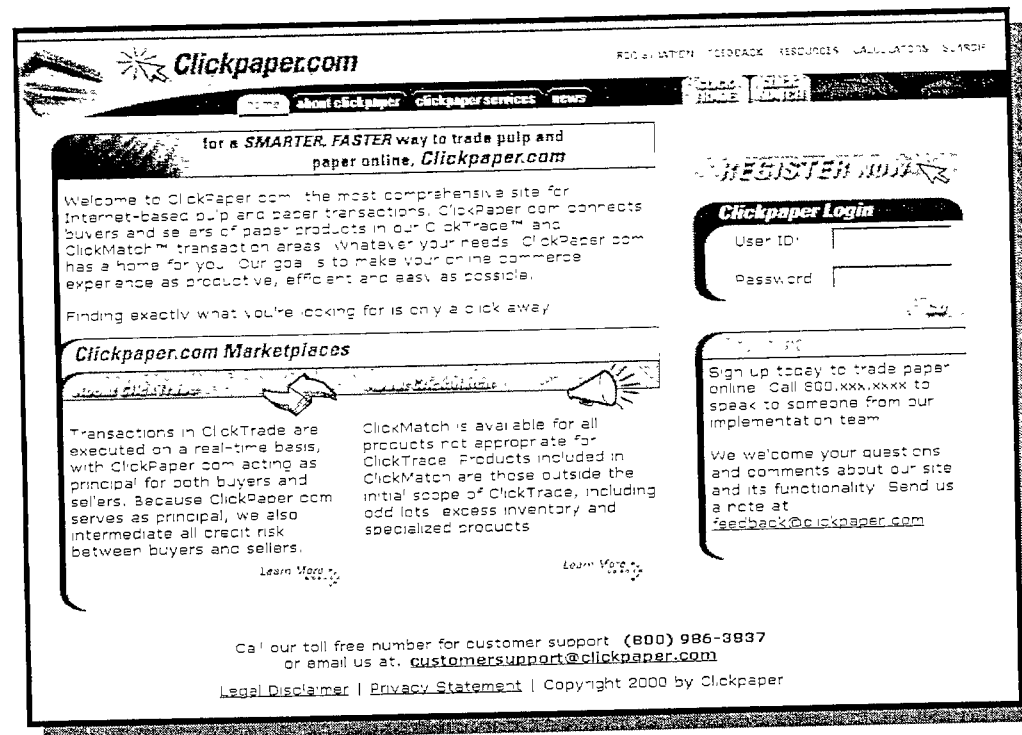
Garden State Paper

- U.S. Based Newsprint Manufacturer
- Complements Existing Pulp and Paper Business
- Complements Deployment of Enron's eCommerce Business Model (Clickpaper.com)



EC004391599

Clickpaper.com



- Extension of EnronOnline Platform
- Principal-Based
- Free of Charge
- Real Time
- Financial and Physical Products
- Tailored to Paper Industry Participants

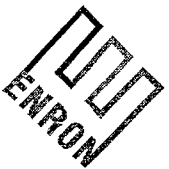


EC004391600

Net Works Funding Plan

- **No Enron Equity Issuance Anticipated**
- **Targeted Investors for Each Vertical Markets**
- **Limited Enron Financial Support Required**
- **Capital Available by Third Quarter**

EC004391601



Conclusion

- **Market-Leading Positions of Solid Core Businesses Providing Consistent, Sustainable Earnings Growth**
- **New Businesses and New Technology Adding to Earnings Power and Valuation**
- **Evaluating All Methods to Increase Return on Investment**

EC004391602

